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REPORT OF THE EXECUTIVE DIRECTOR FOR 1996 EVALUATION ACTIVITIES

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I. EVALUATION ACTIVITIES

1. The evaluation of UNFPA programme activities takes place at a number of different levels. All projects are reviewed annually by pertinent national authorities, UNFPA and the involved executing agencies, and joint decisions are taken about project implementation. These reviews are based on reports prepared by the Government, which assess the technical, administrative and financial aspects of the project. At the end of the project, a final review is conducted with all participating parties to assess the degree to which the project has succeeded or or failed in meeting its objectives. In addition to this regular procedure, there are external evaluations at the mid-term and end of a project using national and/or international consultants or UNFPA Country Support Team (CST) advisers, or a combination of these, as evaluators. This meant that in 1996 external evaluations were conducted in approximately one-fifth of the total number of country-level projects. These evaluations provided signals for mid-course adjustments and lessons learned that proved instructive to both national authorities as well as UNFPA.

2. In 1996, UNFPA conducted a total of 36 programme review and strategy development (PRSD) exercises: 19 in sub-Saharan Africa, 7 in Latin America and the Caribbean, 4 in Asia and the Pacific, and 6 in the Arab States and Europe. These exercises are the main internal UNFPA tool for evaluating a country programme that is near completion and for making recommendations for the next programming cycle. In addition, four country programmes were evaluated by external consultants: Bhutan, Cuba, Democratic People's Republic of Korea (DPRK) and Papua New Guinea. In all cases, the findings provided direct inputs into subsequent programming. The findings of selected country programme evaluations are summarized below.

3 With respect to interregional programmes, which are approved and implemented on a four-year cycle, sets of projects or specific major projects were selected for external evaluations. In financial terms, approximately 50 per cent of the 1992-1995 programme was evaluated. In other words, the budgets of the programmes evaluated amounted to about half of the programme funds spent in the four-year period. The results of these evaluations were applied in programming for the 1996-1999 cycle, for example with respect to the reproductive health programmes and the Global Programme of Training in Population and Development.

A. Selected country programmes

1. Democratic People's Republic of Korea

4. In October 1996, an evaluation of the second country programme of the Democratic People's Republic of Korea took place to analyse the design, implementation and performance achievements

of the programme and to provide recommendations for the Fund's third programme of assistance to that country. The second country programme was approved by the Governing Council in the amount of $6 million and originally covered the four-year period 1990-1993. It was twice extended, without additional resources, for a total of three years up to the end of 1996. The evaluation found that the design of the country programme was by and large consistent with the framework approved by the Governing Council. At the same time, it noted with concern that gender issues were neither addressed through specific projects nor systematically mainstreamed in other projects.

5. The generally low implementation rates and overall weak performance of the country programme in terms of producing sustainable outcomes are attributable to a series of policy, institutional and managerial constraints. In addition, technical backstopping of programme activities was found to be unsatisfactory, although a significant improvement in this regard was noted in 1995-1996 as a result of concerted efforts by the UNFPA Beijing office and the Fund's Bangkok-based CST.

6. The evaluation provided a number of lessons learned for application in the future with respect to strategic focus as well as execution modalities, given that the DPRK is categorized as a "C" country in the new system for allocation of UNFPA resources. In this connection, the need to focus more on the demand side of reproductive health counseling and service delivery and to take steps to ensure a sustainable supply of contraceptives was underscored. The recommendations of the evaluation have generally been accepted by UNFPA and will form the basis for the consultations with the Government on the next phase of support. In this connection, the course of action recommended by the evaluation for programme preparation and development will be implemented.

2. Papua New Guinea

7. An evaluation of the UNFPA-assisted country programme in Papua New Guinea was carried out in November. The evaluation found that the country programme has partially met two of its three immediate objectives, namely to strengthen institutional coordination and monitoring arrangements for the implementation of the national population policy, and to increase the level of awareness and understanding among politicians, religious leaders and planners of the interrelationship between population and development. Only limited progress has been made, however, towards achieving its third immediate objective, which was to facilitate the expansion of maternal and child health and family planning (MCH/FP) service delivery and improve the capacity of the health system and other community-based networks in service delivery.

8. The design of the programme was found to be overly ambitious with too many activities in diverse sectors and too high an expected level of impact for the amount of assistance. A consequence

has been that the programme framework has not provided a useful guide for prioritizing activities or for evaluating programme effectiveness.

9. The on-going fundamental reforms in government structure, the enormous challenges in the social sector, and the involvement of many donors had placed a serious strain on the meagre national human resources to absorb technical and financial inputs. The evaluation found that the UNFPA country office has shown great flexibility in the often difficult management of the programme. Both multilateral and national execution of projects were plagued with delays and required time-consuming involvement by the country office. The evaluation team found that national execution had not always led to ownership of the projects or to capacity-building, but had instead overburdened government staff with additional duties. The team also noted that when local or international non-governmental organizations (NGOs) are engaged as executing agencies, the need for proper guidance, intensive collaboration and support should be anticipated. On the other hand, it was clear that the UNFPA country office had been able to promote better collaboration between the Government and the NGOs.

10. In the area of reproductive health, a proposed major project in service delivery encountered severe delays and had yet to be operationalized. The lesson learned is that in planning interventions in the area of reproductive health, special attention should be paid to reaching agreement with the Government on the most pressing reproductive health problems and to take into account the related activities of other donors.

11. The evaluation found that the country programme was built on an outdated model of women-in-development largely restricted to women's reproductive life. Its implementation has, however, taken a more up-to-date approach with the strong promotion of gender concerns in the advocacy activities and in the population education programme in schools. The evaluation team was impressed with the magnitude, innovation and quality of advocacy activities in strategically chosen areas undertaken by the UNFPA country office.

12. The present programme was planned for 1992-1996 and has been extended for one year, until the end of 1997. Thus there will be ample time to take the conclusions, recommendations and lessons learned from the evaluation into account in future programming.

B. Thematic evaluations

1. UNFPA support to traditional birth attendants (TBAs)

13. A thematic evaluation was conducted to assess the effectiveness of UNFPA's support to TBAs as a strategy to improve MCH/FP services and to develop recommendations for future assistance in the area. In 1996, a synthesis of the findings and conclusions of eight country case studies (Bolivia, Ghana, Islamic Republic of Iran, Malawi, Nepal, Syrian Arab Republic and Uganda)

was prepared. This global report will be ready for distribution in early 1997. Evaluation findings showed that UNFPA, through its support to training programmes, has contributed to achieving the defined objectives for supporting TBAs. These objectives are: (a) to enhance the links between modern health-care services and the community; (b) to increase the number of births attended by trained birth attendants; and (c) to improve the skills, understanding and stature of TBAs.

14 The evaluation concluded that TBA programmes should be supported in countries where a large proportion of the population still does not have access to health services and where trained TBAs are the only means by which women in rural communities have access to a clean delivery. In this context, support to TBA programmes should be a strategy to complement programmes directed at improving the quality and access to services in the formal health system.

15. The evaluation highlighted important limitations to the effectiveness of TBA programmes. TBA programmes supported by UNFPA were often vertical and focused only on training activities, paying insufficient attention to developing follow-up systems to support, supervise and evaluate trained TBAs. In addition, the quality of TBA training was found to be deficient, and supervision of trained TBAs was also acutely limited in almost every country, due to lack of funds, lack of transportation and limited staff. Most programmes also had difficulties maintaining adequate supplies for TBAs to conduct clean deliveries, as replenishment of supplies was often planned in conjunction with supervision visits which tended to be infrequent. Criteria for referral and the quality of care at referral sites were other issues of concern.

16. The evaluation recommended that TBA programmes, where undertaken, should be part of the broader strategy to improve reproductive health. In addition, due account must be taken of issues related to adequate supervision, transportation and provision of supplies. The quality of TBA training programmes could be improved by conducting an assessment beforehand of the communities' health beliefs and practices. This would ensure the appropriateness of the content and methodology of the training.

17. The evaluation also underscored the need to develop effective referral systems, taking into account the conditions for referral (time, cost, transportation, etc.) and the capability of health facilities to provide services for obstetric complications. In this regard, it was emphasized that special attention should be given to improving the quality of care provided at the referral site.

18. The lessons learned from this evaluation will be applied in future UNFPA support for TBA programmes since, as already stated, TBAs remain the only source of reproductive health care to rural women in many countries. At the same time, the limitations to the range of services that TBAs can provide must be recognized. In addition, follow-up supervision and adequate supplies are critical elements that must be factored into future programming. Finally, TBA programmes cannot and must

not displace efforts to improve the quality as well as coverage of the formal health-care system Towards this end, TBAs should be considered a key partner since they can provide information on the communities' perceptions and needs regarding health issues.

2. Adolescent reproductive health

19. In 1996, the field work on the thematic evaluation of adolescent reproductive health programmes was completed, thus making a total of nine case studies: Antigua and Barbuda, Chile, Colombia, Indonesia, Jamaica, Kenya, Senegal, Sri Lanka and Thailand. The evaluation found that countries are giving greater attention to adolescent reproductive health, although policies are usually articulated within a larger MCH/FP framework. International conferences, such as the International Conference on Population and Development (ICPD), and the emerging AIDS crisis have helped to focus urgent attention on adolescent reproductive health, but policy development on adolescent reproductive health still tends to be in an early stage. For this reason and because of cultural sensitivities and inadequate procedures, translation of these policies into programme plans and actions remains weak.

20. An important component of adolescent reproductive health programmes has been family life education. The evaluation found that family life education activities in schools vary considerably among the countries studied, but nearly all case studies report the need to strengthen curricula, define or set minimum standards, and monitor and assist teachers -- especially those who feel uncomfortable and ill prepared -- and evaluate outcomes.

21. With a few exceptions, most government health agencies have not developed specialized reproductive health services for adolescents. Pilot projects, often with UNFPA assistance, are increasing, as is interest in serving this population. Unmarried adolescents, even when they face no formal barriers, tend to avoid public family planning/reproductive health services both because of real and perceived provider attitudes and because of their own special needs and interests. In addition, it was noted that although too-early pregnancy and other issues related to adolescent reproductive health disproportionately affect women, Governments, NGOs and the private sector are only beginning to view these concerns as gender issues.

22. Service provision for adolescents is a key factor in improving their reproductive health, but such services must be accepting of young people and acceptable to them. One of the greatest barriers identified in several case studies is the judgmental attitudes of service providers. Thus, sensitization merits priority attention. Furthermore, adolescents must be attracted to the service. In addition, the evaluation highlighted that helping young people to prevent the first pregnancy and/or HIV infection -- and not waiting until pregnancy and/or infection has already occurred to provide treatment -- is a more effective way of improving adolescent reproductive health.

23. Public education, usually in the form of varying media formats, is an essential action for sanctioning discussion of adolescent reproductive health, promoting awareness of its dimensions, developing consensus on what is needed, providing role models for young people and informing them of where to obtain assistance. The potential of different media needs to be more fully exploited in future programmes. In this connection, the findings of the evaluation also underline the need for more sociocultural research to identify constraints to addressing adolescent reproductive health issues.

24. The evaluation highlighted a number of lessons learned for future application, according to the stage of programme development in a country. Where countries are hesitant to take on adolescent reproductive health issues, there are actions that can be undertaken to crystallize the issue, identify its dimensions and clarify its acceptability, while demonstrating -- through research, needs assessments, statistics and programme data -- that adolescents are an underserved population with specific health and education-for-life needs. In such cases, country plans and projects could forego formal policy development and endeavour to build upon existing activities or related issues and use international consensus as a base for action.

25. The conclusions and lessons learned from this evaluation are very timely because, following the ICPD, many Governments have come to recognize the importance of meeting the reproductive health needs of adolescents. For this reason, UNFPA has received many requests for assistance to programmes targeting this population group specifically. This has been particularly evident in the Latin America and Caribbean and the Africa regions where public dialogue on adolescent sexuality has gained acceptance.

C. Assessment of technical support services (TSS) specialist posts

26. The Executive Board, in its decision 95/34 authorizing a second phase of support of the TSS system, requested an assessment of the "appropriateness and effectiveness" of the specialist posts supported at the headquarters and regional offices of participating United Nations organizations within the framework of the Fund's technical support services system. The Board specifically requested details of measures taken to strengthen the team work between TSS specialists and Country Support Teams and to strengthen the advocacy function of TSS specialists.

27. The assessment was implemented as an external evaluation exercise. The evaluation team held consultations with the staff and the TSS specialists of all participating United Nations organizations in the TSS system, namely, the ILO, FAO, UNESCO, WHO and the United Nations Population and Statistics Divisions. Meetings were held with UNFPA staff at its headquarters as well as in Geneva. In addition, the team visited the three regional commissions participating in the system -- Economic Commission for Africa (ECA), Economic and Social Commission for Asia and the Pacific (ESCAP)

and Economic and Social Commission for Western Asia (ESCWA) -- and three of the five WHO regional offices in which UNFPA has agreed to fund TSS posts, namely, WHO Regional Office for the Western Pacific (WPRO) in Manila, WHO Regional Office for South-East Asia (SEARO) in New Delhi and WHO Regional Office for Europe (EURO) in Copenhagen. The Country Support Teams in Bangkok, Addis Ababa and Amman were interviewed, while the views of the other teams were sought through a questionnaire.

28. The evaluation team endeavoured to understand the current activities of the TSS specialists and to identify the facilitating as well as impeding factors in present arrangements of achieving the objectives of these posts. The team also studied the nature of the supply and demand for TSS specialist services both within their own agencies and within UNFPA. The constraints and impediments to the TSS specialists interacting with the Country Support Teams were reviewed, as were the factors that might detract from successful advocacy work by the specialists within their own agencies.

29. UNFPA will report to the Executive Board on the findings, conclusions and recommendations of the evaluation as well as the position it will take in September 1997. The preliminary assessment is that the TSS system, as it is currently structured, has certain systemic problems that have been and will continue to be difficult to surmount. The options to resolve these difficulties will require careful analysis and consultations with participating organizations. The premises that underpin the course of action to be taken are that, first, UNFPA should continue to support United Nations collaboration and should draw on the strengths of the organizations in the United Nations system; second, that UNFPA is ultimately accountable to its donors, programme countries and governing bodies for funds spent; and finally, that while support of other United Nations partners and support for advocacy are important, ultimately UNFPA must ensure that expenditures result in demonstrable impact.

D. Evaluation of execution modalities

30. In response to the Executive Board's request, at its annual session 1994, to conduct an evaluation of executing agencies, UNFPA completed the first phase of this evaluation in 1996. The objectives of the evaluation are twofold: (a) to conduct a systematic assessment of the experience with various execution modalities in support of UNFPA-supported country programmes; and (b) to develop a set of criteria and performance standards that may be used by UNFPA in the future in its selection of execution modalities.

31. It is important to underscore that this evaluation assesses the "modalities" to execute or deliver UNFPA-supported programmes rather than the executing agencies themselves. Project execution is defined as a set of managerial tasks and activities carried out by an agency in order to assist UNFPA in fulfilling its mandate. These activities and tasks were classified according to the end state they are designed to accomplish, which are: capacity development; institution building;

programme/project formulation; technical assistance; management of fellowships and scholarships; procurement of equipment and supplies; management of finances; and monitoring and evaluation. The performance standards for assessing these activities were identified through a field survey of UNFPA Representatives seeking their views on the most important characteristics that determine the quality of performance of an executing agency.

32. The activities undertaken in 1996 included development of the evaluation design, a desk review of execution modalities used in projects in eight selected countries (Brazil, Burkina Faso, Cambodia, Jordan, Niger, Philippines, Yemen and Zambia), interview of executing agencies and international NGOs in New York, and the fielding of three evaluation missions covering the eight country case studies. In early 1997, an evaluation team will visit the headquarters of various executing agencies. A synthesis of the findings and conclusions of the eight country case studies will be made and published as a global report.

E. Evaluation of UNFPA's staff training programmes

33. As commended by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and requested by the Executive Board in decision 95/35, UNFPA organized in 1996 an evaluation of its staff training programmes. The objectives of the evaluation are to assess the cost-effectiveness of UNFPA's staff training programmes undertaken in the period 1992-1996 and to provide recommendations for strengthening future staff training efforts. Towards these ends, the evaluation will make a cost-benefit analysis of UNFPA staff training programmes with particular focus on selected training conducted in the forementioned time period and determine whether these courses have enhanced the technical, managerial and administrative capabilities of its staff and thus improved job performances. It is expected that the recommendations will enable the Fund to strengthen the effectiveness, efficiency and economy of future training programmes, while ensuring their responsiveness to organizational needs.

34. The principal training activities evaluated are group training events that include orientation workshops as well as more focused workshops on programme techniques, finance management, accounting procedures, management, and communication skills. Some of these workshops were conducted by external trainers or institutions, others exclusively by UNFPA staff. Resources allocated to these courses constitute 70 per cent of training expenditures in the period under review, and approximately 450 staff members have been trained through these workshops.

35. Since the bulk of UNFPA's training resources have been used for training field staff, the evaluators visited six country offices, two each in Africa and Asia and the Pacific, and one each in Arab States and Europe and in Latin America and the Caribbean. In addition, interviews and an

electronic-mail survey were used to collect information from a selected sample of trainees and their supervisors in other country offices and at headquarters.

36. The evaluation was completed at the end of January 1997. A report on its findings will be submitted, through the ACABQ, to the Executive Board at its third regular session 1997

II. MEASURING PERFORMANCE AND ENSURING ACCOUNTABILITY

37. UNFPA has undertaken various concrete steps to measure programme effectiveness and ensure accountability. These include, among others, training in logical framework techniques in programme development; conduct of policy application reviews; participation in inter-agency initiatives concerning monitoring and evaluation; and establishment of an internal organizational unit for monitoring the follow-up to the results of various oversight functions.

A. Logical framework

38. In an effort to improve its monitoring and evaluation of the delivery of country programme activities, UNFPA conducted a series of workshops to introduce staff to the logical framework techniques and to equip them with knowledge on their application at programme, sub-programme and component/project levels.

39. The logical framework provides a concise, but comprehensive, summary of the main elements of a programme or sub-programme, explains the reasoning behind the programme in terms of planning and implementation, and maps out explicit criteria for monitoring and evaluation. Overall, the logical framework is to be applied at every level of programme/sub-programme/project development and is meant to be able to measure, at any given time, the progress (or lack of progress) in project implementation.

40. The framework takes the form of a matrix and encompasses a step-by-step process of programme/sub-programme development. It identifies goals that are related to one of the priority ICPD themes and indicates the ultimate reasons for the programme. For each goal, it delineates the purpose, which expands the goals in terms of use of services; the outputs, which are the finished products expected at the completion of the programme/sub-programme; and the activities, which comprise everything that should be done to achieve the outputs.

41. For each level of the matrix, the logical framework also includes a set of performance indicators, verifiable measures and assumptions. The performance indicators provide some judgement as to the success of the project in meeting the goals, purpose and outputs. The means of verification identifies all the ways in which action at any level can be verified as having been completed. At each

level, risks and assumptions are analysed. These may be internal or external to the project and may include incidents that are out of immediate control.

42. These techniques, together with stakeholder analysis and tools to assess capacity, are being incorporated into UNFPA's regular staff training programme and into programming guidelines.

B. Policy application reviews

43. Policy application reviews were conducted in seven countries in 1996 -- three in Africa, one in Asia and the Pacific, one in Arab States and Europe and two in Latin America and the Caribbean. Thus, a total of eight of such reviews have been conducted to date. These reviews, which are internal exercises, examined in depth the processes of programme development and implementation in order to ascertain that appropriate mechanisms to ensure accountability are in place and are being utilized by UNFPA staff. The opportunity was also taken in each case to assess the relevance and ease of understanding of UNFPA policies and procedures and to identify areas where greater clarity in programme policy and technical guidance are needed.

44. The findings of these reviews have been very informative in that they not only provide senior management with snapshots of how selected country offices are managing their programme managerial and advisory roles in the post-ICPD era, but also serve as a conduit for field staff to comment on the nature and quality of support they receive and need to receive from the CSTs and from UNFPA headquarters. These reviews have provided invaluable inputs to the ongoing process of streamlining and rationalizing guidelines and procedures to make the Fund a more responsive as well as effective organization.

45. On the policy level, the programmes reviewed were found to fall within UNFPA's mandate. In all cases, the country offices are adapting to the post-ICPD environment and to the Fund's new focus on three thematic areas. The reproductive health approach is well received; it presents no conceptual difficulty, but translating the concept into operational terms continues to be a major challenge. Expert group consultations and workshops are being organized to address this. The area of population and development strategies is regarded as a broad enough concept to provide programming flexibility, but explicit guidance is needed with regard to population and the environment and migration issues. Advocacy as a thematic area presents conceptual difficulty in practically all cases. The transformation from women, population and development to the broader based gender approach is evolving; it has tended to be cosmetic rather than programmatic at present.

46. With respect to programme procedures, it has been found that decentralization has clearly been a facilitating factor in expediting responses and programming actions. The umbrella project built

into every country programme is another mechanism that has broadened the country offices' sphere of action.

47. Execution modality and its selection present a number of problems. Country offices are in need of clear guidelines on assessing capacity for project execution. All reviewed programmes have to some extent utilized national NGOs for programme implementation. Some form of capacity-building is entailed in most instances of collaboration with national NGOs; such efforts need to be rationalized by a set of clear criteria on what capacity is needed to execute projects and on selection of NGOs as executing agencies. All country offices reviewed actively sought out and used national experts for various programming and technical tasks. The ongoing evaluation of execution modalities and of the Programme Manual under preparation are steps to respond to these needs.

48. The nature and level of interaction with the CSTs varied significantly among programmes. The overloaded CSTs and the difficulty in anticipating technical inputs required in advance have posed problems for the use of the technical backstopping plan mechanism.

49. Programme management, monitoring and evaluation continued to present challenges to the country offices; the increasing emphasis on substantive monitoring in particular requires the identification and use of indicators of qualitative aspects. Problems with monitoring were exacerbated by the decentralization policy of Governments and expansion of the pool of executing/implementing agencies, both of which increase the workload of the country offices. Although project evaluations are not mandatory, planned project evaluations were conducted, often by national consultants, and the results of these were used in subsequent programming.

50. In terms of joint activities with other United Nations organizations, different approaches have been used from explicit co-sponsorship of programmes to an "add on" approach. Operational guidance on how to undertake joint programming is needed to promote more efforts in this regard. By the same token, procedures for cost-sharing in programmes are also needed. UNFPA intends to learn from the experience of its partner organizations in the United Nations system in these areas.

51. Each policy application review also identified issues specific to the programme/country office that require follow-up action. These relate, inter alia, to promotion of national ownership, training needs of field staff, project appraisal processes, and procurement. The Executive Director, in consultation with the UNFPA Executive Committee, determines follow-up action needed, and responsible parties are assigned. The Office of Oversight and Evaluation is responsible for monitoring the implementation of prescribed action.

C. Interagency collaboration

52. As part of its effort to continue promoting institutional development, UNFPA has contributed to, as well as kept abreast of, UNDP's major initiative with respect to developing a system for organizational performance measurement. The Fund also contributed towards the effort of the Joint Consultative Group on Policy (JCGP) to define common guidelines for monitoring and evaluation. On a system-wide level, UNFPA is fully committed to the implementation of General Assembly and ECOSOC resolutions pertaining to monitoring and evaluation and is actively engaged in dialogue with the United Nations on follow-up action. It continues its active participation in the technical discussions on monitoring and evaluation issues in the Inter-Agency Working Group on Evaluation.

53. UNFPA participated in the UNAIDS Programme Coordinating Board (PCB) Working Group on Indicators and Evaluation and was instrumental in the development of the broader conceptual framework for the monitoring and evaluation of the UNAIDS programme. The UNFPA focal point on UNAIDS programme monitoring and evaluation participated in the UNAIDS Performance Monitoring and Evaluation Design Workshop (Geneva, 21-22 November 1996), which focused on the design and refinement of UNAIDS' evaluation frameworks in general and on the design of performance indicators related to the four medium-term objectives of UNAIDS in particular.

D. Office of Oversight and Evaluation

54. In late 1996, the Executive Director established the Office of Oversight and Evaluation, an independent organizational unit accountable directly to her to provide a focal point for monitoring follow-up to the results and products of various oversight functions. The Office is responsible for ensuring that the findings and recommendations of all oversight functions at UNFPA, including, inter alia, audits, policy application reviews and evaluations, are acted upon and, as necessary, reflected in decision-making on organizational management, policies and procedures. In this connection, it will also make proposals for UNFPA institutional development. Towards this end, the Office will monitor and identify trends in the findings of internal and external audits, policy application reviews and evaluations in order to propose remedial measures to address weaknesses in organizational and programme processes. In addition, it will manage the conduct of policy application reviews, thematic evaluations and ad hoc independent evaluations of major projects/programmes.

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REPORT OF THE EXECUTIVE DIRECTOR FOR 1996: UNFPA INTERNAL AUDIT AND OVERSIGHT ACTIVITIES IN 1996

1. This report provides the Executive Board with a summary of internal audit and oversight activities of the United Nations Population Fund. The report is being submitted pursuant to a request made by the Executive Board at the second regular session 1996.

I. ORGANIZATION AND RESOURCES

2. Under the provisions of UNFPA Financial Rule 114.18, the Executive Director has arranged with the Administrator, UNDP, for the internal audit services of the Fund to be undertaken by the UNDP Division for Audit and Management Review (DAMR). The Executive Board may also want to refer to the Report of the Administrator of UNDP on internal audit and oversight activities (document DP/1997/16/Add.6).

3. Based on Governing Council decision 91/36, UNFPA was authorized to strengthen the capacity of DAMR to support internal audit functions of UNFPA by creating a UNFPA Internal Audit Section. This was considered a first step towards the establishment of UNFPA's own internal audit capability. The section became operational in May 1993 and consists of a chief, one management auditor and one support staff. With current resources, it is not possible for the section to provide audit coverage for all UNFPA units within the optimal cycle of five to seven years, and

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efforts have been made to expand activities through, *inter alia*, the use of consultants. The matter will also be addressed in the UNFPA budget proposal for the 1998-1999 biennium.

4. Given the resource constraints, UNFPA has sought to increase audit capacity through agreements with UNDP for the use of the UNDP Regional Service Centres in Kuala Lumpur and Harare. Based on these agreements, each centre contracts a public accounting firm to examine the annual accounts and compliance audits of all those UNFPA offices that have a UNFPA-appointed Representative in the Asia and Pacific and the Africa regions, respectively. The agreement with the centre in Kuala Lumpur was initiated in 1993, followed by Harare in 1994. The agreements are supervised by DAMR. Any reports prepared under this agreement are reviewed by the UNFPA Internal Audit Section and are issued in accordance with the regular audit reporting procedures of DAMR.

5. In addition to the activities of the UNFPA Internal Audit Section/DAMR, internal oversight services are also provided by the Fund's Office of Oversight and Evaluation, which was established in late 1996 and reports directly to the Executive Director. Some of the functions of this office were previously discharged by the Evaluation Branch, Technical and Evaluation Division. In addition to programme and thematic evaluations, the office now also undertakes policy application reviews to examine in depth the processes of programme development and implementation and to assess, *inter alia*, where greater clarity in programme policy and technical guidance is needed to ensure substantive accountability under decentralization. Such reviews were conducted in seven countries during 1996. Further information about the findings of the policy application reviews and other evaluation activities are contained in the Report of the Executive Director for 1996: Evaluation Activities (document DP/FPA/1997/10 (Part III)), which is also being submitted to the current session of the Executive Board.

6. The emphasis given to sound internal oversight by the Executive Director is also reflected in the mechanisms established for the review, monitoring and follow-up of the findings and recommendations of such exercises. Primary responsibility now rests with the Office of Oversight and Evaluation, which is tasked with ensuring that the necessary corrective action is taken in response to any oversight activity. Previously, these tasks had been divided between the Director, Technical and Evaluation Division for policy application reviews and evaluation reports and the Deputy Executive Director (Policy and Administration) who continues to serve as focal point for internal and external audit matters. Within its overall coordinating role, the Office of Oversight and Evaluation works with the Deputy Executive Director (Policy and Administration) on the follow-up to audit activities, reports to the Executive Director on trends in audit reports and develops proposals for dealing with non-compliance by staff with the recommendations of oversight functions. In addition, audit and oversight issues continue to be discussed regularly by the UNFPA Executive Committee, which is composed of the senior management of UNFPA.

II. INTERNAL AUDIT ACTIVITIES IN 1996

7. The principal internal audit activities carried out in 1996 included the following: (a) eight management audits in six country offices and two Country Support Team (CST) offices; (b) 45 compliance audits in 13 country offices in the Asia and the Pacific region and 32 country offices in the Africa region, undertaken by two international public accounting firms; (c) a comprehensive review of audit clause requirements for Government- and NGO-executed projects; (d) a review of government-in-kind contributions; and (e) six audit communications addressing weaknesses in UNFPA's financial regulations and rules. This work plan compares to a total of five audit activities undertaken by DAMR for UNFPA in 1992, prior to the establishment of the section.

8. The Executive Director is highly satisfied with the services provided by the UNFPA Internal Audit Section/DAMR, which has successfully implemented a broad work plan in 1996 despite limited resources. The management audits, conducted by the section, have proven invaluable to the strengthening of the performance of UNFPA, not only through the actual audit exercises but also through the ongoing dialogue between UNFPA top management and the section on fundamental policy and procedural aspects of UNFPA operations. Such dialogue has been characterized by a spirit of close cooperation and has confirmed the importance of internal audit as a vital management tool.

9. The annual audit work plan is developed by the section in close consultation with the UNFPA Deputy Executive Director (Policy and Administration), the UNFPA Office of Evaluation and Oversight, and the external audit team of the United Nations Board of Auditors. Synergies between the various oversight activities are explored and schedules coordinated to the greatest extent possible. The work plan is reviewed periodically throughout the year in order to adjust the timing and scope of audit activities, as required. All audit exercises are preceded and followed by extensive consultations with the organizational units concerned.

III. PRINCIPAL AUDIT FINDINGS AND ACTIONS TAKEN

10. According to the ratings issued for compliance audits by the contractors in the Asia and Pacific and the Africa regions, the level of internal controls in the vast majority of UNFPA offices was considered satisfactory. Of 53 audit reports issued in 1996 (covering both 1995 and early 1996 audits), the level of internal control and the compliance with financial and administrative requirements of office management was found to be satisfactory in all offices, with three offices receiving a "good" rating. In programme management, four offices were found to be "marginally deficient" and one office "deficient" (the latter rating was, however, not considered justified by the Director, DAMR).

All of the remaining 49 reports found programme management to be satisfactory. While the Executive Director is pleased about the generally satisfactory level of compliance, the following issues require attention:

11. Clarification of procedures. Management audits continue to find two main causes of difficulties in the application of procedures. For one, a number of UNDP procedures are *mutatis mutandis* applicable to UNFPA in the absence of specific UNFPA procedures. In issuing guidelines, headquarters has, however, neglected to highlight the linkages and include cross-references to UNDP manuals. Secondly, since UNFPA has often issued guidelines in the form of circulars and memoranda, there is need to have available a consolidated set of policies and procedures. This problem has also been raised by the United Nations Board of Auditors.

12. The Executive Director has taken action on this matter in establishing a task force on policies and procedures in October 1996 with a one-year mandate to compile and issue a consolidated set of five binders, including the completion of the three-volume Policies and Procedures Manual. During this exercise, UNFPA consults closely with the auditors and with its UNDP counterparts in identifying requirements for new guidelines, streamlining of procedures and enhancing consistency. The process will be completed in late 1997 and will replace all previous, separately-issued guidelines.

13. Legal basis of project activities. As has been pointed out by the United Nations Board of Auditors, the legal substratum of UNFPA-funded activities is not always properly secured by country office staff: this was the cause of the "marginally deficient" rating in the programme management of four offices. Deficiencies or problems include, for example, the initiation of project activities before signature of the project document and letter of understanding by all parties. Some of the difficulties arise from the nature of the UNFPA programming process, which, in contrast to UNDP and UNICEF utilizes multiple executing agencies. Consequently, the process of signing the required documents is more time-consuming and tends to delay implementation.

14. The Executive Director has repeatedly reminded country offices that despite possible delays, project activities may not commence without the properly-signed legal instruments. Compliance has improved under the Fund's decentralization policy, initiated in December 1993, because of reductions in the time required from project formulation to signing of the project document. In addition, the move towards the use of sub-programmes, rather than projects, within country programmes will help reduce the administrative burden on Governments in the review and signing of legal documents and should facilitate timely implementation. At the same time, UNFPA will continue to stress to all staff that the legal basis for the disbursement of UNFPA funds may not be compromised under any circumstances.

15. Management of project audits. In 1996, the UNFPA Internal Audit Section/DAMR also undertook a comprehensive review of the audit clause requirements for Government- and NGO-

executed projects. The review was to identify the reasons for instances of late submission of project audit reports, which have, in turn, resulted in the qualification of the audit opinion of UNFPA's financial statements by the United Nations Board of Auditors. The review argued for several revisions in UNFPA guidelines in order to strengthen the management of the project audit clause, including the designation of the audit authority in the letter of understanding, provision of terms of reference for project audits, correct formulation of certain certification requirements, and clarification of the time-frame stipulated for the submission of project audit reports. The review also considered it crucial that UNFPA procedures distinguish properly between internal and external audit functions and assign responsibilities accordingly.

16. In following up the findings of the review, UNFPA has drafted revised financial rules in close consultation with the Internal Audit Section/DAMR and will institute a monitoring system to ensure compliance with the audit clause and effective follow-up to the findings of the executing agency's auditors. Once completed, the results of this exercise should help address the concerns about project audits expressed by the United Nations Board of Auditors, the Fifth Committee and the Executive Board.

17. Revision of financial regulations and rules. Closely related to the review of the audit clause requirements was the issuance of several audit communications addressing weaknesses in UNFPA's financial regulations and rules. Within the framework of the Task Force on Policies and Procedures, UNFPA has started addressing the findings of these communications by, *inter alia*, developing clearer definitions of executing, implementing and associated agencies in the programming process and by clarifying substantive and custodial accountability issues, among others.

18. Actions to be taken. The Executive Director is confident that the policy initiatives outlined above will greatly facilitate programme management at the country level. In addition, individual findings and recommendations are followed up with the concerned offices or units. However, although the section has accomplished a remarkable work plan with very limited resources, UNFPA management and the auditors agree that management audits of headquarters require more attention. Thus, in 1997, two organizational units at headquarters have been selected for internal audits in place of two country offices.

19. Another remaining concern of UNFPA is that despite interventions from DAMR, the performance of the public accounting firms contracted by the UNDP Regional Service Centres in Kuala Lumpur and Harare continues to be uneven. While UNFPA fully supports the out-sourcing of compliance audits under commercial contracts, the Regional Service Centres lack professional auditors dedicated to UNFPA to provide supervision of the work of the contractors. As a result, 21 audit reports for 1995 had to be returned by the UNFPA Internal Audit Section/DAMR for revision. Additional training was provided in 1996, coupled with the preparation of detailed audit guidelines

and reporting formats for compliance audits of UNFPA offices in order to achieve a more even performance under these contracts.

20. Given the resources and staff time required for the processing and follow-up of the 45 compliance audit reports produced annually, UNFPA would like to caution against an over-emphasis on the quantity of audit activities. While this approach was useful in establishing basic track records for each office through 2-3 consecutive audit visits, it may now be advisable to concentrate resources on fewer, specified activities when contractors are used. UNFPA has been in discussions with DAMR to review various options and decide on the most cost-effective and thorough audit arrangements for 1998-1999.

IV. RECOMMENDATIONS

21. The Executive Board may wish to:

(a) take note of the report on internal audit and oversight activities; and

(b) express support for the strengthening of the internal audit capacity of UNFPA.

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REPORTS TO THE ECONOMIC AND SOCIAL COUNCIL

Report of the Executive Director

SUMMARY

The present report responds to resolution 1994/33 of the Economic and Social Council (ECOSOC) that sets out the format and content of annual reports of the Executive Director of UNFPA to the Council through the UNDP/UNFPA Executive Board.

It contains an outline of measures taken in the implementation of the provisions of the Triennial Policy Review of Operational Activities, most recently enunciated in General Assembly resolution 50/120 of 20 December 1995. It also contains a report on the designated theme for the high-level meeting of the operational activities segment of ECOSOC. By its decision 1996/310 of 13 November 1996, ECOSOC decided that the 1997 high-level meeting should focus on follow-up to implementation of General Assembly resolution 50/227 of 24 May 1996 on funding for operational activities for development. The third part outlines follow-up to the major international conferences and summits, including implementation of their respective programmes of action in response to ECOSOC resolution 1996/36 of 26 July 1996. The final section is on strengthening collaboration between the United Nations development system and the Bretton Woods institutions as called for in ECOSOC resolution 1996/43 of 26 July 1996.

A draft recommendation for Board approval is contained in paragraph 59.

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I. Follow-up to the Implementation of General Assembly Resolutions 47/199 and 50/120 and Follow-up to ECOSOC Resolution 1996/42: Progress on the Implementation of General Assembly Resolution 50/120

1. During 1996, UNFPA continued implementation of measures called for in the series of resolutions on the triennial policy reviews of operational activities adopted by the General Assembly, the latest of which is General Assembly resolution 50/120. In this regard, the Executive Director of the UNFPA regards the triennial reviews as a continuum allowing for consolidated reporting on implementation of the series of related resolutions.

2. UNFPA implementation of General Assembly resolution 50/120 is fully in accordance with paragraph 52 of the resolution and contained in annex II of the report on "Operational activities of the United Nations for international development cooperation: Progress on the implementation of General Assembly resolution 50/120" (E/1996/64). Accordingly, this report gives due attention to capacity-building, field and regional level coordination, and resources. ECOSOC is to review these areas at its 1997 substantive session on the basis of a report by the Secretary-General to which UNFPA has contributed. The present report focuses on aspects specific to UNFPA.

A. Programme matters

Programme approach

3. UNFPA's strong commitment to the programme approach has evolved through years of recognition of its benefits and through the Fund's experience with the programme review and strategy development (PRSD) exercise. Further efforts are under way to adapt this experience to the Programme of Action of the International Conference on Population and Development (ICPD). To this end, UNFPA is developing guidelines for operationalizing its new core programme areas, namely reproductive health, including family planning and sexual health; population and development strategies; and advocacy. Substantive guidelines in these areas were prepared in 1995 following the ICPD. The programming structure is now being revised to channel assistance into sub-programmes based on thematic or geographic foci within the overall country programme. The "clustering" of activities around sub-programmes is expected to allow for greater coordination and effectiveness of population activities and will further enhance the programme approach. The Fund participates actively in system-wide efforts, mainly through the Consultative Committee on Programme and Operational Questions (CCPOQ), to examine and redefine the programme approach. Implementation at country level calls for an endorsement by governments of this approach. UNFPA is confident that the conduct of Common Country Assessments will also assist in developing an holistic approach.

Harmonization of programme cycles and programming procedures

4. The process of harmonizing the programme cycles of UNDP, UNICEF, UNFPA and the World Food Programme (WFP) has now been institutionalized as part of the annual reporting requirements of the Resident Coordinator system. UNFPA is fully committed to such harmonization as a first step towards strengthening impact of programme delivery. As of 1996, more than 90 per cent of all countries in which the partners of the Joint Consultative Group on Policy (JCGP) had programmes had reached agreements on harmonization. Political difficulties in some countries have impeded progress on reaching an agreed timetable. Monitoring will continue through the reporting requirements of the Resident Coordinator system. During the review of UNFPA country programmes, the Fund continues to take the need for harmonization of cycles into account in deciding on the extension, shortening or bridging of its programmes.

5. UNFPA recognizes the advantages of streamlining and harmonizing rules and procedures within the United Nations development system in order to make programme delivery more cost-effective and to enhance national execution. UNFPA is a small organization in a specialized field and sets a high premium on close coordination and cooperation with development partners. To this end,UNFPA takes a pro-active approach to the Fund's participation in coordinating mechanisms such as JCGP and the Administrative Committee on Coordination (ACC). Recent achievements in these bodies include issuance of Guidelines for the Monitoring and Evaluation of Operational Activities for JCGP Member Agencies and the development of draft guidelines for the implementation of Common Country Assessments. In addition, the JCGP Subgroup on Programme Implementation and Country-Level Management has started work on the harmonization of programme procedures. An important step in overall coordination efforts has been the compilation and issuance of the CCPOQ Operational Activities Reference Manual in late 1996, which contains legislation, guidelines and administrative arrangements agreed to or recognized by the ACC for the delivery of development assistance. UNFPA also continues to work closely with other organizations in specific areas, such as the current consultations within UNDP on the development of national execution guidelines and the gender mainstreaming exercise that is being undertaken with UNDP and UNICEF.

Country Strategy Note

6. UNFPA continues to be an active partner in the Country Strategy Note (CSN) exercises. By late 1996, CSNs were in various stages of development in 87 countries. They have, in general, fostered exchange and coordination among the different partners in development. UNFPA headquarters provides innovative support through emphasis on the CSN in programme-related training and by stressing linkages to the CSN in policy guidelines such as those for the PRSD.

UNFPA is also actively involved in the initiative on common country assessments which is designed, *inter alia*, to provide critical substantive inputs to the development of CSNs. The success of the CSN, however, depends on their acceptance by governments. UNFPA offices have reported that despite the advantages of the CSNs, political difficulties have prevented them from achieving full effectiveness.

Common manual

7. As reported, the CCPOQ has completed preparation of its Operational Activities Reference Manual. UNFPA has forwarded this to all country offices so that it can be used as a system-wide complement to other documents produced by UNFPA and by other funds and agencies in cooperation with UNFPA. Further work within the JCGP and CCPOQ is needed on harmonization of programming policies and procedures into a common manual.

National execution and national capacity-building

8. UNFPA continues to extend the highest priority to strengthening the capacity of governments to coordinate population assistance in their countries and to enhance the capacity of national institutions to execute UNFPA-funded projects. UNFPA's programming process concentrates on inclusion of pertinent criteria and assessments of national capacity-building from the time of the initial PRSD exercise up to final implementation. These assessments are methodically supplemented by regional and subregional reviews and initiatives. UNFPA's ongoing review of the PRSD guidelines strives to further emphasize the necessity and importance of evaluating national self-reliance. The Fund is also concurrently revising guidelines in the area of national execution and national capacity- building and finalizing those on the assessment of the capacity of national institutions. Training of national project staff is being offered in a number of areas, and national staff are being increasingly used in keeping with the Guidelines for the Recruitment and Administration of National Project Staff. In the context of UNFPA's Technical Support Services (TSS) arrangement, the first level of expertise is the use of national consultants; UNFPA's Country Support Teams (CSTs) provide backstopping only if this is not otherwise available. The Fund is currently revising its Guidelines on Technical Support Services to ensure that national expertise is exhaustively employed.

9. Given the key role that national capacity-building plays in the United Nations development system, UNFPA's efforts at better inter-agency coordination have been carried out with the intent to strengthen overall efforts at building national capacities. Notable progress has been made in various coordination mechanisms and processes in the context of country programmes and projects. For example, UNFPA has continued to participate actively in the formulation of CSNs and in other processes to improve programme coordination, such as in India, where the United Nations system cooperation has been very active and UNFPA has been a full participant in this

process. The new mechanism of Common Country Assessments is developing well with the strong involvement of United Nations country offices, including those of UNFPA. Through these processes, as well as through theme groups within the Resident Coordinator system, UNFPA country programmes seek to build and expand collaborative programming and co-financing or parallel financing of projects. Even where actual joint activities may not be pursued, efforts are encouraged to harmonize strategies, approaches and master plans, in line with national needs and priorities. In short, UNFPA is striving to ensure that materials produced by inter-agency task forces and examples of best practices are gradually expanded and further developed in programme countries with a view to strengthening national capacities.

Common field-level guidelines on recruitment, training and remuneration of national project personnel

10. With a view to building national capacity, UNFPA supports national project personnel, consisting of nationally-recruited project professional (NRPP) and general service support staff. They are recruited to provide additional support to host governments in the implementation of UNFPA-supported projects. These project staff are recruited and paid in accordance with guidelines common to UNFPA and UNDP for the recruitment and administration of national project staff. The employment of such personnel contributes to the strengthening of national capacity and makes full use of qualified national human resources. UNFPA also participates in current efforts of the JCGP Subgroup on Programme Implementation and Country-Level Management to further harmonize the recruitment, training and remuneration of national project personnel.

Monitoring and evaluation

11. UNFPA is revising its monitoring and evaluation guidelines, including procedures as well as tools and instruments, as part of the effort of updating programming guidelines. This is being done with the participation of field as well as headquarters staff and in consultation with other United Nations organizations. In line with the new thematic focus following the ICPD, much work is being done to develop indicators for monitoring and evaluation of programmes in the three core programme areas. This is being done through expert group meetings and workshops that bring together experts from both within and outside the United Nations system. Particular attention is being paid to assessing and learning from past experience in programming UNFPA's support for national population programmes. The programme presentation to the Executive Board on proposals for UNFPA support of country programmes now systematically includes sections on lessons learned and on how these are being applied.

Promoting greater collaboration in evaluation

12. UNFPA continues its active participation in the meetings of the Inter-Agency Working Group on Evaluation, where information on developments in evaluation techniques and systems are shared. With the widespread use of electronic mail, such cross-fertilization takes place also outside the forum of the working group's annual meetings. Evaluation officials of the JCGP group maintain particularly close contact; a recent example was a JCGP workshop on monitoring and evaluation that took place in New York in January 1997. Issues of special focus at the workshop included rating systems and performance measurement. UNFPA has sent the guidelines on monitoring and evaluation that resulted from the meeting to all its country offices.

Management audit and aid accountability

13. The main mechanism for the exchange and coordination of internal audit issues continues to be the annual Meeting of the Representatives of the United Nations Organizations and Multilateral Financial Institutions. The UNDP Division for Audit and Management Review (DAMR), which includes the UNFPA Internal Audit Section, is an active participant in these discussions. At the same time, UNFPA management continues to employ mutually reinforcing means to communicate responsibility, assess performance and measure results in order to obtain assurances with regard to accountability, especially in the context of UNFPA's policy on decentralization. In addition to mandatory project and programme evaluations, such means encompass: (a) overall guidance on policies and procedures, including circulars on audit activities and findings; (b) the system of annual Performance Appraisal Reviews based on detailed Individual Performance Plans and the convening of Management Review Groups; (c) internal audit services provided by the Division for Audit and Management Review to assess the adequacy of internal controls and to advise UNFPA management on areas in need of improvement; and (d) policy application reviews, conducted in UNFPA country offices to ensure, *inter alia*, compliance with UNFPA's substantive policies and programme guidelines. Follow-up to issues of internal oversight are now coordinated by the Office of Oversight and Evaluation, established in December 1996 and reporting directly to the Executive Director. Moreover, internal audit issues are regularly discussed by the UNFPA Executive Committee, consisting of all senior staff at headquarters. UNFPA fully realizes the need to further expand audit coverage and to ensure effective follow-up.

Coordination at regional and subregional levels

14. UNFPA activities at the regional and subregional levels are designed to enhance coordination and effectiveness of programme interventions. Programme review, formulation and approval processes give foremost consideration to overall coordination of population activities. The Fund consults with its counterpart United Nations agencies and other organizations, including

donors, at all levels of programme assistance to ensure coordination and to promote collaborative initiatives. UNFPA has also organized a series of technical meetings to focus on priority concerns within the geographical regions where the Fund is working and to improve programmatic responses of the agencies and donor communities to population needs. In these efforts, UNFPA draws on a wide range of expertise, including those available under the TSS system, in particular the CSTs, which are composed of experts from United Nations agencies in various population disciplines. The TSS system has also facilitated regular consultation and dialogue between and within the agencies on technical and programmatic concerns and has created an environment that is more dynamic and has greater flexibility in responding to emerging needs. An element of duplication of activity in this field, however, is bound to continue until tighter coordination mechanism are in place.

Decentralization

15. UNFPA continues to implement its decentralization guidelines and procedures in an effort to strengthen the efficiency and effectiveness of programme delivery. Currently, 14 UNFPA Representatives have been granted full decentralized approval authority, while approval authority for country projects for all other countries has increased from $500,000 to $750,000 since 1993. In 1996, 80 per cent of the country projects were approved by UNFPA Representatives under decentralized approval authority, as compared to 41 per cent in 1993. In order to facilitate the decentralization process, UNFPA is working towards strengthening the capacities of its country offices through training activities and the internal restructuring of its programme and financial operations. The Fund has also placed greater emphasis on ensuring the feasibility of execution modalities and implementation plans of country projects. Concurrently, UNFPA has stepped up monitoring of this process so that the Fund reviews the appraisal and approval of projects on a regular basis to ensure that procedures are being followed and to identify any potential gaps in the system. UNFPA is also revising its guidelines to strengthen the implementation and effectiveness of decentralization. An overall review of the decentralization process has indicated a reduction in the time-lag between project appraisal and final approval, thereby improving the implementation and delivery rates, as well as facilitating an increase in the use of national experts in the formulation and implementation of projects. UNFPA is moving towards full decentralization of programme approval authority with the current revision of its programming procedures.

B. Management, personnel and finance matters

Scope for improving cost-effectiveness of administrative services

16. During the past year, significant progress has been made in coordination in the area of management, personnel and finance. This has been facilitated by the close cooperation and frank exchange of information that UNFPA maintains with other JCGP partners, most significantly with

UNDP and UNICEF. UNFPA contributes to efforts to better structure JCGP meetings and to redress longstanding issues concerning operations and premises in specific duty stations. Methodologies and operational guidelines for pending and future projects are also under way.

Harmonization of budget presentations

17. Considerable progress has been achieved in the harmonization of the budget presentations of UNDP, UNICEF and UNFPA following decision 94/30 of the UNDP/UNFPA Executive Board. Subsequent to the review by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) late last year, at the first regular session 1997 the Executive Board agreed with the proposed common format for presentation of the biennial support budget, using common terms and definitions and a common methodology for preparing budget estimates. Consequently, the biennial support budget for 1998-1999 will be prepared according to this harmonized format for submission to the Executive Board at its third regular session in September 1997.

Common premises and administrative services

18. In line with the plan to substantially increase the number of countries where United Nations agencies share common premises and services, the JCGP Subgroup on Common Premises and Services is pursuing the need to develop a comprehensive methodology and to define operational guidelines to serve as the basis of all common premises and service projects. A request for project proposal (RFP) has been issued to secure professional expertise in the areas of a cost-benefit matrix, development of specific criteria and for operational guidelines to address rights and responsibilities of respective agencies in the ownership, renovation and eventual disposal of such premises, cost sharing mechanisms, cost controls and project management protocol. The methodology adopted is to form the basis for decision-making under future common premises projects. This infusion of technical expertise is necessary to provide the necessary methodology for evaluation purposes. The importance of potential synergies in adopting common services over a variety of core functions as a prerequisite of evaluation has been recognized and stressed by the JCGP subgroup.

Training

19. UNFPA continues to promote and participate in inter-agency collaborative training. UNFPA Representatives have participated in the field coordination workshops for senior United Nations system representatives conducted by the Turin Centre. The training package for promoting the goals of the ICPD Programme of Action, which will be used by the JCGP agencies in their country offices, is being finalized. Together with its JCGP partners, UNFPA is identifying key areas for future collaborative training. These include the development and application of tools to improve programme design and appraisal, developing indicators for monitoring and impact

assessment as well as mechanisms for strengthening national capacity. With regard to management training, UNFPA proposes to continue to work within the JCGP group to enhance and improve the management skills of its staff and to develop a competency-based training package that addresses gender equity and diversity, team-building and negotiation skills.

20. UNFPA has also further decentralized approval authority for local training to country offices, to facilitate participation of its field staff in both in-country as well as regional inter-agency training initiatives. UNFPA continues to give high priority to the training of its field staff, and approximately 75 per cent of the training budget has been allocated for his purpose.

Gender balance in appointments

21. With a long-term goal of 50:50 representation of women and men in professional positions, the Fund continues to take action to achieve gender balance in recruitment and appointment of staff. As of December 1996, the proportion of women professionals had reached 48 per cent. UNFPA has been able to increase this percentage annually by placing emphasis on the selection and recruitment of women. It should be underscored that the growth in the proportion of women professionals has been achieved without compromising recruitment and promotion criteria. Women have also fared well in moving from the general service to the professional category -- in the past ten years, six of the seven general service staff to do so were women.

22. UNFPA has continued its efforts to dispel the notion that general service jobs are "female" positions by encouraging the recruitment of men to fill such positions. Although the Fund's success has not been remarkable, there has been a fair increase of men in this category of staff.

23. Special attention continues to be paid to the placement of women in mid-level positions with decision-making and managerial responsibilities. Women are encouraged to participate in various management training programmes offered through JCGP, UNDP and UNFPA's own training programme. It should be noted that seven out of the twelve members of the UNFPA Executive Committee are women, including the Executive Director as Chairperson.

24. UNFPA's practice of giving special attention to the identification of women candidates has continued to be applied in the recruitment of members of the TSS system, including the CSTs. Of the total number of technical experts recruited by UNFPA in the system, 45 per cent are women.

II. Follow-up to General Assembly Resolution 50/227: Further Measures for the Restructuring and Revitalization of the United Nations in the Economic, Social and Related Fields, Annex I, Section I: Funding of Operational Activities for Development of the United Nations System

A. Coordination and some constraints to headquarters functioning

25. ECOSOC has served as one of the primary vehicles for introducing reform in the economic, social and related fields of the United Nations system. The Member States of the United Nations have articulated their concerns in several fora and have conveyed their instructions through various General Assembly resolutions, such as 48/162 in 1994 and 50/227 in 1996. UNFPA has welcomed these measures for reform and continues with efforts to improve its own programme effectiveness, coordination and collaboration with all its partners in the United Nations system, NGOs and bilateral donors. UNFPA is also an active participant in a number of global level inter-agency coordination mechanisms, including the Administrative Committee on Coordination (ACC), the Joint Consultative Group on Policy (JCGP), UNFPA's own collaboration mechanisms and various tripartite and bilateral consultation and coordination arrangements. UNFPA has also strongly supported the Resident Coordinator system and the implementation of all relevant United Nations decisions.

26. Clearly, one of the most important purposes of these valuable decisions has been to prevent duplication of development efforts in the field and to optimize available resources for the best discharge of mandates. At the same time, efforts to streamline reporting requirements require attention. For a small organization such as the UNFPA, the increasing requests for reporting can pose a serious burden. UNFPA estimates, for example, that documentation for the summer session of ECOSOC has 53 reports of the Secretary-General -- many of which require UNFPA inputs -- and an additional 26 reports of the subsidiary bodies, 4 reports on organizational matters and 2 major publications, totaling approximately 2,874 pages. If the effort needed for the four-week deliberations of the ECOSOC is placed in an annual perspective that includes the demands from various other intergovernmental and inter-agency bodies, the unsustainabilty of the reporting requirements and the disproportionate use of staff for these purposes can be better gauged. A streamlining of reporting requirements would have significant impact on the cost-effective use of limited programme resources.

B. Implications on operational activities of recent trends in core and other resources

27. In 1996, the Fund's income totaled approximately $309 million (provisional) -- a slight decrease from the 1995 income level of $312.6 million. However, total contributions reached a new high of $302.5 million, pledged by 95 governments. Fourteen major donors, whose contributions equaled or exceeded $1 million, contributed $296.3 million or 98 per cent of the total core resources. Compared to 1995, contributions in 1996 decreased in dollar terms by 0.13 per

cent although in terms of national currencies many countries increased their contributions. At end 1996, cumulative contributions totaled over $3.7 billion. Income generated through multi-bilateral arrangements totaled $18.3 million (provisional), an increase of 28.9 per cent over the 1995 level of $14.2 million.

28. Due to the strong momentum created by the ICPD in September 1994, UNFPA's total income has exceeded $600 million for the two-year period 1995 and 1996. For 1997, it appears, on the basis of the major donors who have already pledged and other top donors who have given us their projections, that the Fund's income will again exceed the $300 million mark.

29. However, as the experience in 1996 shows, projecting an income level for a voluntary United Nations funding agency is full of uncertainty. In 1996, over 33 per cent of total pledges were still outstanding in the last quarter of the year. This caused significant cash flow problems for the organization. On the programming side, the uncertainty of income negatively affects programming confidence.

30. On the positive side, there seems to be an encouraging trend in terms of population assistance. Despite the continuing decline in real growth of total official development assistance (ODA), funding for population assistance, including loans from the World Bank, seems to be gradually increasing. In 1994, approximately $1.4 billion was devoted to population. Although the data for 1995 are still incomplete, it appears that approximately $2 billion was committed to population programmes. It is still too early to state the level of commitment provided in 1996. One reason for this shift may be a decision by the donors to allot a larger percentage of ODA to the social, education and health sectors. This would also augur well for the 20/20 concept. Maintaining this momentum will be one of UNFPA's principal challenges. Major donors still face uphill struggles in increasing their ODA as they confront budget-cutting pressures and other domestic economic concerns.

C. Recommendations on increasing core resources

31. UNFPA has attempted to mobilize additional resources for its programmes through various mechanisms, including using existing funds more efficiently, working for a larger share from within existing resource pools, and developing new sources of funding. UNFPA has also worked with programme countries for increased expenditure on basic social services so that the vast bulk of resources for provision of the basic social services within the Fund's mandate continues to come from the national governments and communities concerned, supplemented with additional support from the countries' development partners.

32. UNFPA has also concentrated on increasing efficiency, strengthening management and maximizing funds for country programmes. Emphasis on accountability, cost-effective programme

delivery and timely implementation have all played a role in building confidence among donors. Developing reporting mechanisms and formats that fully meet the needs of all development partners continues to be important in helping the Fund to mobilize income from all sources. Special attention is also being given to illustrating the impact of activities funded from general sources and of regional activities.

D. Adopted targets, new and innovative funding sources and modalities for operational activities

33. The issue of new and innovative funding sources and modalities for operational activities is to be covered extensively in a report of the Secretary-General to the General Assembly pursuant to resolution 50/227, annex I, paragraph 17, to which UNFPA has contributed. Given the enormous challenges of raising $17 billion for population assistance by the year 2000, as was agreed to at the ICPD, UNFPA is launching several resource mobilization initiatives with the goal of increasing collaboration with as many potential partners as possible, including the European Union, to generate more resources for population either directly through UNFPA or through bilateral channels. UNFPA's country programme documents and the recently-developed Programme Country Profiles for Population Assistance are being used as a framework for many of these discussions. The Executive Director and senior management are also systematically visiting developing countries to discuss the ways and means for them to meet their share of the total requirement of $17 billion. Another approach being explored is a debt for population swap or debt exchange to generate local resources for population and reproductive health, including family planning, programmes. Preliminary research indicates a number of attractive possibilities that may be well suited to needs in this sector.

34. In the area of multi-bilateral assistance, a number of traditional major donors are utilizing multi-bilateral arrangements more frequently to channel population assistance. As already mentioned, multi-bilateral income reached an all-time high level of $18.3 million (provisional) in 1996. Recently, UNFPA signed an important partnership agreement with the European Commission that will channel over $30 million from the European Commission to reproductive health programmes in Asia. If this arrangement proves successful, the Fund envisages that the European Commission may channel more funding for this area. Fortunately, there is no evidence to indicate that multi-bilateral contributions are being made at the expense of contributions to UNFPA's regular resources.

E. Priorities and programmes agreed by the UNDP/UNFPA Executive Board

35. At its annual session in June 1995, the UNDP/UNFPA Executive Board considered the Fund's report on programme priorities and future directions of UNFPA in light of the ICPD (document DP/1995/25), which was the culmination of an intensive process of internal review and

external reviews of the UNFPA programme. Following extensive discussion of the report, the Board adopted decision 95/15 in which it supported the broad outline of the future programme of assistance of UNFPA, which must be implemented in full accordance with the ICPD Programme of Action, and endorsed the core programme areas of reproductive health, including family planning and sexual health; population and development strategies; and advocacy. The aim of such a selection was to enable the Fund to sharpen the focus of its programming and to capitalize on its comparative advantage.

36. Document DP/1995/25 also contained a proposal for a new approach for resource allocation based on the goals and objectives of the Programme of Action. This approach was subsequently revised at the request of the Executive Board (document DP/FPA/1996/15) and endorsed by the Board in decision 96/15. It is based on a country's level of achievement of ICPD goals and recognizes that there is a continuum of needs, from countries that have made little progress towards achieving the ICPD goals to countries that have already reached or surpassed all of these goals.

37. The revised approach pays special attention to low-income countries, least developed countries (LDCs) and sub-Saharan Africa, as called for in the Programme of Action and in various General Assembly and ECOSOC resolutions. The new approach particularly emphasizes support to LDCs by including all LDCs in the group of countries that are in greatest need and thus will receive the largest share of UNFPA resources. It recognizes the urgent need for providing temporary assistance to countries with economies in transition, as called for in the Programme of Action and in General Assembly resolution 50/124. It further recognizes the importance of promoting South-South cooperation.

III. Follow-up to ECOSOC Resolution 1996/36: Follow-up to the Major International United Nations Conferences and Summits, including the Implementation of their Respective Programmes of Action

A. United Nations Conference on Environment and Development

38. For the follow-up of the United Nations Conference on Environment and Development (UNCED), UNFPA has acted as the Task Manager for Chapter 5 of Agenda 21 on "Demographic Dynamics and Sustainability" and has also prepared the report for the 1997 Special Session of the General Assembly presenting progress in UNFPA-related areas since the UNCED in 1992. UNFPA has continued to promote greater awareness and visibility of the linkages between population growth and the environment. Apart from those projects in the area of population, environment and development, which are implemented through country programmes, UNFPA also funds a number of activities and projects undertaken by other members of the United Nations system (including FAO, the ILO, UNESCO) and by various types of non-governmental

organizations (NGOs). To better meet the challenges of the ICPD Programme of Action, the Fund has also reviewed its practices and guidelines, including those that deal specifically with population and the environment.

39. UNFPA has contributed to the efforts of the United Nations system in training and developing methodologies and analytical tools for understanding the interactions between population and environment variables. UNFPA's CSTs are providing critical support to national governments in collecting data on environment and population variables. In collaboration with the World Conservation Union (IUCN), UNFPA has prepared a guidebook emphasizing the integration of the population-resource balance in sectoral planning exercises that can be particularly useful to local planning units and national planning ministries in developing countries.

B. International Conference on Population and Development Inter-Agency Task Force for ICPD Follow-up and ACC Task Force on BSSA

40. Coordinated inter-agency follow-up to the recent international conferences is taking place through three inter-agency task forces -- Basic Social Services for All (BSSA), Enabling Environment for Economic and Social Development, and Employment and Sustainable Livelihoods for All -- as well as through the inter-agency committee following up the Fourth World Conference on Women. UNFPA has been an active participant in all these United Nations system-wide mechanisms designed to achieve coordinated follow-up to major international conferences. UNFPA chaired the Inter-Agency Task Force (IATF) for Implementation of the Programme of Action of the ICPD, with the participation of 14 United Nations bodies. The task force set up working groups, each with a lead agency, to produce a set of guidelines on central ICPD themes. Entitled "IATF Guidelines for the United Nations Resident Coordinator System" and issued in September 1995, the guidelines addressed the following key areas: reproductive health; women's empowerment; basic education with special attention to gender disparities; a common approach to national capacity-building in tracking child and maternal mortality; and international migration. It also includes "A Common Advocacy Statement on Population and Development". The guidelines seek to foster closer dialogue and cooperation between the United Nations system and other development partners, including bilateral agencies, NGOs, the private sector and civil society, in operationalizing the ICPD Programme of Action at the country level.

41. The success of the IATF led to the establishment by the ACC of three system-wide inter-agency task forces to galvanize the United Nations system follow-up around priority goals emerging from recent global conferences and to rationalize and strengthen the mechanisms for delivery of coordinated assistance at the country and regional levels. The overarching goal of the task forces is poverty eradication. The mandate of the IATF was expanded and it was constituted as the ACC Task Force on Basic Social Services for All, under the chairmanship of UNFPA. The other two task forces are on employment and sustainable livelihoods, chaired by the ILO, and on

the requisites of an enabling environment for economic and social development, chaired by the World Bank. UNFPA participates in both these task forces. The progress of work under the BSSA Task Force has been widely reported.

42. The BSSA Task Force, in which 19 United Nations bodies participate, has met twice in 1996 and will meet again in March 1997. Work is progressing well towards preparation and dissemination of the following end-products which will be made available electronically: Guidelines for the United Nations Resident Coordinator System; a wall chart with indicators to monitor progress on the basic provision of basic social services; a report on lessons learned and best practices in donor collaboration in assistance to the social sector; an information card on advocacy for basic social services; and a compendium of international commitments relevant to poverty and social integration. The work of the BSSA Task Force is informed by the following cross-cutting dimensions: gender perspectives; resource mobilization; policy; selection and use of indicators; targeting of specific groups, including those in post-crisis situations; and involvement of civil society. The BSSA Task Force is also covering the main parameters of the 20/20 initiative in its work programme and seeks to concentrate on the area of indicators to monitor progress in achieving the goals of recent global conferences.

43. UNFPA has also focused on operationalizing its three mandated focus areas in the follow-up to the ICPD: reproductive health, including family planning and sexual health; population and development strategies; and advocacy. UNFPA has also adopted a new approach for resource allocation based on a country's level of achievement of ICPD goals, while recognizing that there is a continuum of needs. The new approach pays special attention to low-income countries, LDCs and Africa, as called for in the Programme of Action and the various General Assembly and ECOSOC resolutions.

44. UNFPA also continues its long tradition of collaborating with NGOs, including through establishing an NGO Advisory Committee in 1995. In keeping with the Programme of Action, UNFPA is also supporting South-South cooperation activities and activities relating to the needs of youth and adolescents for reproductive health information and services. Overall, in a significant number of developing countries, including those with economies in transition, UNFPA has supported a wide array of activities designed to align programmes and policies with the new people-centred paradigm for population and development that emerged at the ICPD.

C. World Summit for Social Development

45. UNFPA has worked closely in all cooperative efforts among the Commission on Social Development, the chairpersons of the ACC Task Forces and the Committee on Women and Gender Equality with a view to responding to the development needs and priorities of countries, and to meeting the felt needs of women, men, youth and adolescents in the areas of its mandate.

Cooperative efforts have included such cross-cutting dimensions as gender perspectives; resource mobilization; policy; selection and use of indicators; targeting of specific groups, including those in post-crisis situations; and the involvement of civil society. The ACC task forces are also covering the main parameters of the 20/20 initiative, and efforts to come up with a common set of indicators to monitor progress in achieving the goals of recent global conferences.

46. UNFPA has continued to work to ensure that its programming is people-centred and has a human face, particularly working to secure the empowerment of women. The Fund will continue to cooperate with efforts for meeting basic human needs and providing basic social services for all by promoting partnerships at all levels, including governments, bilateral and multilateral agencies, NGOs, private sector and civil society.

D. Fourth World Conference on Women

47. In the subjects of greatest concern at the Fourth World Conference on Women, UNFPA has primarily focused on three main areas: women's human rights, adolescent reproductive health and gender equality. In the area of women's human rights, UNFPA has worked with the Centre for Reproductive Law and Policy and with NGOs in 51 countries for improvement of women's access to reproductive health care. UNFPA has stepped up its fight to eliminate female genital mutilation (FGM) and in March 1996 conducted a technical consultation on the subject. A framework has been developed for integrating activities relating to the elimination of FGM into UNFPA's core programme areas, and together with UNICEF and WHO the Fund has issued a joint statement on the elimination of FGM. UNFPA also is working with the WHO-sponsored Global Commission on Women's Health to improve the health status of women and girls and to develop new policy guidelines and advocacy tools aimed at enforcing the rights of women and girls within the overall goal of providing health security.

48. UNFPA has also spearheaded initiatives in the adolescent reproductive health area, including working with the Center for Development and Population Activities (CEDPA), to include girls and young women in the formulation and implementation of decisions relating to their reproductive health and educational needs, and is also collaborating with the Thomas Craven Film Corporation to produce a video on the needs, views and aspirations of young women worldwide.

49. Activities undertaken in the area of gender equality, equity and women's empowerment include support to several organizations including NGOs; studies on attitudes of adolescent boys and men on subjects including sexual and reproductive behaviour; a plan of action for reaching the world's poorest women with credit for self-employment and empowerment following the micro-credit summit; mainstreaming gender considerations into all aspects of its reproductive health, population and development strategies and advocacy work; developing training manuals on gender, population and development; and other such related areas of work.

E. United Nations Conference on Human Settlements -- HABITAT II

50. UNFPA participated actively in the preparatory processes of the Habitat II Conference and supported a senior post in the HABITAT Secretariat. UNFPA, together with the Rockefeller Foundation, organized a one-day meeting of 12 experts in New York in October 1995 to discuss HABITAT/population linkages before preparing recommendations for the draft Global Plan of Action. Following HABITAT II, UNFPA has continued the work of defining the linkages among population growth; migration and urban problems; growth of mega-cities in developing countries; the high proportion of youths in urban areas; and the need to strengthen and build upon the consensus reached in other United Nations conferences. After organizing a symposium in January 1996 on "Internal Migration and Urbanization in Developing Countries: Implications for HABITAT II", UNFPA is in the process of bringing out a book containing the recommendations from this effort.

51. UNFPA supports, in conjunction with local authorities in Japan, projects at the Asian Urban Information Centre of Kobe with the aim of increasing the flow and interchange of information on urban problems, urban policies and experiences through a network that covers, in particular, medium-sized cities in Asia. Links with population dynamics are especially emphasized in these projects. At the level of the country programmes, UNFPA supports activities in several countries aimed at improving the lot of urban slum dwellers, in particular by programmes to increase access to reproductive health services and by including community NGO groups in the planning and implementation of the programmes.

F. World Food Summit

52. Consistent with the ICPD Programme of Action, which emphasizes the linkages between population growth, environment protection and food security, UNFPA organized jointly with FAO, in June 1996, an Expert Group Meeting on Food Requirements and Population Growth. The findings and recommendations of the meeting helped in clarifying the issues related to population and food security in general. UNFPA's PRSD exercises are, to an increasing extent, considering energy requirements, agricultural production and food security, along with environmental issues, as part of the analytical framework on the basis of which UNFPA-supported country programmes are developed. Through its regional CSTs, the Fund is providing crucial technical support to assist developing countries in addressing the ICPD and World Food Summit challenges and in integrating population, food security and environment variables in the national population and development strategies of countries. In collaboration with FAO, UNFPA is considering through the TSS system means to strengthen a common follow-up mechanism to the goals of the ICPD and World Food Summit.

IV. Follow-up to ECOSOC Resolution 1996/43: Strengthening Collaboration Between the United Nations Development System and the Bretton Woods Institutions

53. The momentum created by the ICPD and the other recent major international conferences has increased the importance of coordination and the integrated follow-up mechanisms that have been established in the context of the ACC and has provided a strong new basis for cooperation among the various partners in the United Nations system and the Bretton Woods institutions. UNFPA continues to play an active role in facilitating this process. Collaboration with Bretton Woods institutions is an important positive aspect of these mechanisms. In the cooperation between UNFPA and the Bretton Woods institutions, much of the policy-level collaboration is in direct support of programme-level cooperation. UNFPA enjoys relatively good cooperation with the Bretton Woods institutions and is working hard to assess how the relationships can be improved.

54. During the past year, in response to ECOSOC resolution 1996/43, together with the United Nations Secretariat, the United Nations Conference on Trade and Development (UNCTAD), UNDP, UNICEF, the United Nations Office for Project Services (UNOPS) and UNFPA participated in a Senior Officials Working Group on Strengthening Collaboration between the United Nations and the Bretton Woods Institutions. The review contains useful information on ongoing collaboration and lessons learned and makes a number of useful suggestions for the future, including for countries facing special circumstances, exchange of information and data in key areas for policy analysis as well as in the area of planned research and policy studies, and theme-oriented working groups.

55. For UNFPA, it is notable that this review also concluded that there are a number of very positive examples of cooperation, including "the UNAIDS programme, crime and drug control, the United Nations Conference follow-up, population in general, and the implementation of the ICPD Programme of Action, in particular the Special Initiative on Africa, and the Global Environment Fund (GEF)". Recent attempts at coordinated follow-up to world conferences has enhanced collaboration between the United Nations and the Bretton Woods institutions, and the World Bank chairs one of the current ACC task forces, with UNFPA and the ILO chairing the other two. The World Bank is taking the lead in producing an information card on advocacy for basic social services and, together with the UNDP, is also taking the lead in producing a publication on lessons learned and best practices in donor collaboration in assistance to the social sector. The Bretton Woods institutions contributed to the Guidelines to the Resident Coordinator System, which was one of the products of the Inter-Agency Task Force on Implementation of the ICPD Programme of Action. The task forces combine global and policy-level initiatives, providing both policy coherence and practical application through more coordinated and collaborative operational activities and technical cooperation. They focus on preparing a set of guidance notes

and lessons learned for use at the country level, within the Resident Coordinator system, and on key indicators to monitor progress in achieving the goals of recent United Nations global conferences.

56. Bilaterally, UNFPA and the Bretton Woods institutions share a tradition of consultation and cooperation at global, regional and country levels. UNFPA holds frequent consultations with the World Bank and the regional development banks. At all levels the focus is on both selected substantive and policy issues and country-specific cooperation and as well as on global efforts, such as Education For All, that are being carried out in partnership with UNESCO and other organizations. These collaborative efforts contain both global advocacy activities and specific country programme cooperation. UNFPA has been also participating in other inter-agency efforts for collaboration between the United Nations and the Bretton Woods institutions, e.g., in the JCGP and CCPOQ, within the context of the Resident Coordinator system.

57. In addition to improving and expanding complementarity and collaboration in activities supported by UNFPA and the Bretton Woods institutions at global, regional and policy levels, there have been further efforts at improving country-level consultations. The World Bank participates more regularly in coordination mechanisms for the population sector at the country level at which UNFPA plays a prominent role. Increasingly, World Bank missions are in contact with UNFPA country offices, and UNFPA routinely contacts the Bank prior to its programming exercises. This has inevitably led to greater exchanges at the strategy and programme development stage, and this has helped reduce the workload of all, especially the country concerned, and has promoted harmonization of policy approaches and strategies. There is also cooperation in the actual project work, with UNFPA providing technical expertise and procurement services to the Bank, and the Fund participates actively in World Bank-led consortia of donors.

58. UNFPA, conscious of the need for more consistency in the policy advice and strategies being advanced by the various donors in a country, is in the process of institutionalizing closer cooperation with the Bretton Woods institutions to enhance such consistency. Efforts are being made to ensure that collaboration in all programming stages are built into the programmes from their inception. To succeed, all parties would need to provide equally strong support for these initiatives.

V. Recommendation

59. The Executive Board may wish to take note of the "Report of the Executive Director: Reports to the Economic and Social Council" (DP/FPA/1997/10 (Part V), and decide to transmit it to the Economic and Social Council, together with the comments made by delegations at the 1997 annual session.